

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS****INTERNAL SERVICE FUNDS**

FISCAL YEAR ENDED SEPTEMBER 30, 2007

(In Thousands)

|   | CORRECTIONAL<br>INDUSTRIES<br>REVOLVING<br>FUND | MOTOR<br>TRANSPORT<br>FUND | OFFICE<br>SERVICES<br>REVOLVING<br>FUND |
|---|---|----------------------------|---|
| <b>OPERATING REVENUES</b>                   |   |                            |   |
| Operating revenues                          | \$ 45,481                                       | \$ 51,624                  | \$ 100,458                              |
| Total Operating Revenues                    | 45,481  | 51,624                     | 100,458                                 |
| <b>OPERATING EXPENSES</b>                   |   |                            |   |
| Salaries, wages, and other administrative   | 23,600  | 6,057                      | 28,843                                  |
| Depreciation                                | 1,480   | 219                        | 1,489                                   |
| Purchases for resale                        | -   | -                          | 69,971                                  |
| Purchases for prison industries             | 19,641  | -                          | -                                       |
| Premiums and claims                         | -   | 838                        | 1                                       |
| Other operating expenses:                   |   |                            |   |
| Leased vehicles expense                     | -   | 21,975                     | -                                       |
| Vehicle maintenance expense                 | -   | 24,446                     | -                                       |
| Total other operating expenses              | -   | 46,420                     | -                                       |
| Total Operating Expenses                    | 44,721  | 53,534                     | 100,304                                 |
| Operating Income (Loss)                     | 760   | (1,911)                    | 154                                     |
| <b>NONOPERATING REVENUES (EXPENSES)</b>     |   |                            |   |
| Other nonoperating revenues                 | -   | 104                        | -                                       |
| Interest expense                            | (393)   | -                          | (148)                                   |
| Other nonoperating expense                  | (15)  | -                          | (21)                                    |
| Total Nonoperating Revenues (Expenses)      | (408)   | 104                        | (168)                                   |
| Income (Loss) Before Transfers              | 352   | (1,807)                    | (14)                                    |
| <b>TRANSFERS</b>                            |   |                            |   |
| Transfers to other funds                    | -   | (27)                       | (111)                                   |
| Change in net assets                        | 352   | (1,834)                    | (125)                                   |
| Total net assets - Beginning of fiscal year | 25,154  | 6,575                      | (8,343)                                 |
| Total net assets - End of fiscal year       | \$ 25,506                                       | \$ 4,741                   | \$ (8,469)                              |

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**INTERNAL SERVICE FUNDS**

FISCAL YEAR ENDED SEPTEMBER 30, 2007

(In Thousands)

|   | INFORMATION<br>TECHNOLOGY<br>FUND | RISK<br>MANAGEMENT<br>FUND | STATE<br>SPONSORED<br>GROUP<br>INSURANCE<br>FUND | TOTALS       |
|---|-----------------------------------|----------------------------|--|--------------|
| <b>OPERATING REVENUES</b>                   |                                   |                            |  |              |
| Operating revenues                          | \$ 452,151                        | \$ 2,706                   | \$ 1,109,620                                     | \$ 1,762,040 |
| Total Operating Revenues                    | 452,151                           | 2,706                      | 1,109,620  | 1,762,040    |
| <b>OPERATING EXPENSES</b>                   |                                   |                            |  |              |
| Salaries, wages, and other administrative   | 421,491                           | 2,563                      | 40,649   | 523,202      |
| Depreciation                                | 45,260                            | -                          | -  | 48,447       |
| Purchases for resale                        | -                                 | -                          | -  | 69,971       |
| Purchases for prison industries             | -                                 | -                          | -  | 19,641       |
| Premiums and claims                         | 6                                 | 2,012                      | 1,081,012  | 1,083,868    |
| Other operating expenses:                   |                                   |                            |  |              |
| Leased vehicles expense                     | -                                 | -                          | -  | 21,975       |
| Vehicle maintenance expense                 | -                                 | -                          | -  | 24,446       |
| Total other operating expenses              | -                                 | -                          | -  | 46,421       |
| Total Operating Expenses                    | 466,756                           | 4,575                      | 1,121,661  | 1,791,551    |
| Operating Income (Loss)                     | (14,605)                          | (1,869)                    | (12,041)   | (29,511)     |
| <b>NONOPERATING REVENUES (EXPENSES)</b>     |                                   |                            |  |              |
| Other nonoperating revenues                 | 367                               | -                          | -  | 471          |
| Interest expense                            | (507)                             | -                          | -  | (1,047)      |
| Other nonoperating expense                  | (18)                              | -                          | -  | (53)         |
| Total Nonoperating Revenues (Expenses)      | (157)                             | -                          | -  | (629)        |
| Income (Loss) Before Transfers              | (14,762)                          | (1,869)                    | (12,041)   | (30,141)     |
| <b>TRANSFERS</b>                            |                                   |                            |  |              |
| Transfers to other funds                    | (1,154)                           | (14)                       | -  | (1,307)      |
| Change in net assets                        | (15,916)                          | (1,883)                    | (12,041)   | (31,447)     |
| Total net assets - Beginning of fiscal year | 129,964                           | 3,213                      | 61,835   | 218,398      |
| Total net assets - End of fiscal year       | \$ 114,048                        | \$ 1,330                   | \$ 49,795  | \$ 186,951   |